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UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
WASHINGTON, DC

Issued by the Department of Transportation on June 27, 2002

NOTICE OF ACTION TAKEN -- DOCKET OST-2002-12311 -- 2

This serves as notice to the public of the action described below, taken by the Department official indicated (no additional confirming order will be issued in this matter).

Application of AMERICAN AIRLINES, INC., and TWA AIRLINES LLC filed 5/10/2002 for exemption from the provisions of 14 CFR Part 257 (codeshare disclosure).

American Airlines and TWA Airlines LLC request an exemption from the provisions of 14 CFR Part 257 with respect to disclosure of codesharing arrangements and long-term wet leases to the extent that American Airlines may hold out all flights operated by TWA Airlines LLC as "AA" rather than "AA\*" and without giving notice of the corporate name of the operator, effective July 1, 2002.

The applicants state that TWA Airlines LLC is a wholly-owned subsidiary of American Airlines, Inc., and that, by Order 2001-4-7, the Department transferred the domestic and international certificates, exemption and codesharing authorizations formerly held by Trans World Airlines, Inc., to "American Airlines, Inc. and/or TWA Airlines LLC." The applicants state, further, that (1) on December 2, 2001, the "TW" designator code was withdrawn entirely from the passenger market and all TWA Airlines LLC passenger flights are now held out as American Airlines or "AA\*" flights operated by TWA; (2) on November 7, 2001, the Department, acting under 14 CFR Part 215, registered "American Airlines as the trade name to be used by TWA Airlines LLC in its certificated air carrier operations; (3) on January 1, 2002, separate consumer reports to the Department by TWA Airlines LLC under 14 CFR Part 234, as well as separate financial and traffic reports under 14 CFR Part 241, were eliminated. (All such reporting is now combined with that of American Airlines, Inc.)

The applicants also state that on March 5, 2002, the National Mediation Board determined that American Airlines and TWA Airlines LLC are a single carrier for labor relations purposes; that TWA Airlines LLC no longer operates a separate reservation number, or separate web site, etc.; and that the TWA brand name has been completely removed from airports worldwide. In addition, the applicants state that on TWA Airlines LLC flights, the contract of carriage (including liability limitations) is between the customer and American Airlines; the FAA has approved the use of the AA call sign by TWA Airlines LLC for communications with Air Traffic Control; insurance underwriters treat American and TWA Airlines LLC as one insured; and all in-flight announcements on flights operated by TWA Airlines LLC reference only American Airlines, including flight connection information.

The applicants state that by June 1, 2002, all TWA Airlines LLC flights attendants will wear American Airlines' uniform and that, by June 30, 2002, all but six TWA Airlines LLC aircraft will be painted in American Airlines' livery. Finally, the applicants state that as of June 30, 2002, virtually the only public reference to TWA or TWA Airlines LLC will be as a result of the codeshare disclosure requirement.<sup>1</sup> The

<sup>1</sup> The applicants state that the only present use of the "TW" code is for mail-only codesharing with Air New Zealand and All Nippon Airways and that, while the codeshare disclosure rule does not apply to the carriage of property and mail, TWA Airlines LLC will terminate its mail-only codeshare arrangements with Air New Zealand and All Nippon Airways following grant of the exemption relief requested here.

applicants argue that, in the circumstances presented here, and in the interest of reducing consumer confusion, the Department should grant the requested exemption.

No answers to the application were filed.

## **DISPOSITION**

**XX** Granted, subject to conditions

The above action will become effective upon satisfaction of the condition below, and will thereafter remain in effect indefinitely.

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**Remarks/Conditions:** Taking into account all of the elements of record, we find that grant of the requested authority is warranted. In granting this authority, we note that the applicants have stated that they will terminate the "TW" mail-only codeshare arrangements with Air New Zealand and All Nippon Airways "following grant of the exemption". The exemption is thus conditioned on the termination of those codeshares and on notice to the Department that the codeshares have been terminated.<sup>2</sup>

**Action taken by: Read C. Van de Water**  
**Assistant Secretary for Aviation**  
**and International Affairs**

We may amend, modify, or revoke the authority granted in this Notice at any time without hearing at our discretion.

*An electronic version of this document is available on the World Wide Web at:*  
*[http://dms.dot.gov/reports/report\\_aviation.asp](http://dms.dot.gov/reports/report_aviation.asp)*

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<sup>2</sup> Such notice should be filed in the form of a letter addressed to the Director, Office of International Aviation, 400 7<sup>th</sup> Street, SW, Washington, DC 20590, and filed in **Docket OST-2002-12311**.